

Bonn Cites Doubts On Economic Plan Adopted at Summit

TOKYO — National policies in the seven major industrial nations could not be adopted at a summit meeting in Tokyo, according to a German official said Wednesday.

Finance Minister Gerhard Stoltenberg also said that five key summit nations would continue to consult among themselves on economic strategy despite an agreement to admit Canada and Italy to regular economic planning sessions.

The West German minister's comments on the economic plan echoed the more skeptical line about its effectiveness taken by other European nations at the conference.

Britain's Treasury Secretary, Nigel Lawson, said it amounted to very little change. The Americans have been more enthusiastic, seeing it as a instrument to straighten out huge imbalances in Western trade.

Mr. Stoltenberg said the Tokyo economic declaration, which aims to achieve stability through closer

Reagan Praises Summit Says U.S. Is Free To Act Alone On Terrorism

TOKYO — President Ronald Reagan said Wednesday that allied leaders had agreed to "best efforts" to fight terrorism in a way that does not preclude such unilateral military action as the U.S. bombing of Libya last month.

But Mr. Reagan also said that the leaders of the seven major industrial nations had agreed that the battle against terrorism "shouldn't be dependent on a single nation to try and find an answer."

(President Reagan said at Elmendorf Air Force Base in Alaska, where he stopped Wednesday en route home from the summit conference, that in Tokyo the United States got "all we sought, particularly a tough allied stand against terrorism," United Press International reported.)

(Mr. Reagan, his wife, Nancy, and son Mark, 16, arrived in Tokyo at 11:30 a.m. on Wednesday. He had a 58-minute rest stop at the hotel at Anchorage before his 14-hour flight to Tokyo. He had a 14-hour journey to Washington. The president was scheduled to be back at the White House about 2 P.M. EDT, officials said.)



President Ronald Reagan chose a questioner Wednesday during a news conference in Tokyo before returning to Washington from the 12th annual economic summit meeting.

Senate Rejects U.S. Arms Sale To Saudi Arabia By Wide Margin

WASHINGTON — The Senate has voted 73-22 to reject a proposed \$354-million arms sale to Saudi Arabia.

The vote marked the first time the Senate has explicitly rejected a proposed arms sale, and the margin, if sustained, was large enough to override an almost-certain veto of the resolution by President Ronald Reagan.

The House was expected to vote on the resolution Wednesday, with opponents of the sale predicting final passage by close to the two-thirds majority necessary to override a veto.

Opponents of the sale, led by Senator Alan Cranston, a Democrat of California, sought to master as large a vote as possible Tuesday night to demonstrate their ability to override a veto.

The 73 votes, six more than needed to override a veto, provided a larger margin than expected.

The margin was all the more surprising because Israel and the main pro-Israeli lobbying organization, the American Israel Public Affairs Committee, did not actively oppose the sale.

Mr. Cranston said later that opponents of the sale are "very secure" in their confidence that they can override a veto. He said he expected that few senators would reverse their positions.

The proposed sale involves delivery to Saudi Arabia of Stinger anti-aircraft, Sidewinder air-to-air and Harpoon anti-ship missiles. Mr. Reagan submitted the proposed sale to Congress on April 8 and, under law, the sale would take place unless the chambers passed a resolution of disapproval within 30 days. Thursday is the deadline for congressional action.

In the brief debate, opponents denounced Saudi Arabia for undermining the Middle East peace process, supporting the Palestinian Liberation Organization and for condemning last month's U.S. air raid on Libya.

"We want to make it clear that it is not in the national security interests of the United States to sell advanced weapons to nations that consistently score U.S. interests," Mr. Cranston said.

Dismissing the administration argument that the Saudis needed the missiles for protection against Iran, Mr. Cranston noted that the weapons were not due for delivery until at least 1989.

He said the United States gained little from its previous arms shipments to Saudi Arabia, adding, "Now is the time to sell more weapons to an uncertain friend in the Middle East."

Arguing in favor of the sale, the

Nakasone Is Criticized For His Role at Summit

By William Brangin
Washington Post Staff Writer

TOKYO — The Tokyo economic summit meeting is being viewed by many Japanese as a failure for their country, posing some serious questions for the prestige and political future of Prime Minister Yasuhiro Nakasone.

Mr. Nakasone is widely believed to have played a major role in the summit meeting in Tokyo, which expires next fall. But the public perception that he botched the summit meeting could block such ambitions.

Japanese have tended to judge the summit meeting on one issue: whether it would stop the yen from rising 30 percent appreciation of the yen against the dollar in the past seven months, Japanese industry is suffering as its products become more expensive to foreign buyers.

During the summit, Mr. Nakasone argued that the yen had risen intolerably high. His guests, who tended to consider the strong yen long overdue, and crucial for correcting international trade imbalances, listened politely and gave virtually nothing.

The news helped to push up the yen again, reaching a new postwar high, 163.20 to the dollar, on the last day of the meeting.

Many Japanese saw a positive side to the summit meeting, particularly a commitment for closer cooperation and consultation in policy and economy. But the places tend to be abstract, while the yen issues are more specific, a matter of money.

By some accounts, no one could have done much better than Mr. Nakasone.

Benrokio Yoshino, chairman of the Institute for International Economic Studies, a major Japanese think tank, said: "People expected we would stop the yen from rising of the yen or at least reverse the trend. That was of course a futile effort from the beginning. But that's what was expected of him."

Opposition parties have issued condemnations of the prime minister's performance. More significantly, some senior figures in the ruling Liberal Democratic Party and leaders of big business have complained over the outcome, an implicit criticism of Mr. Nakasone.

"I am unsatisfied," Takashi Ishii



Yasuhiro Nakasone

hara, chairman of the Japan Committee for Economic Development, an influential association of business leaders, told a Japanese newspaper, "I wish that the yen had risen more effectively in the currency markets."

Public fears that a strong yen will bring unemployment could help Mr. Nakasone's rivals for the prime ministership. So might resentment over the Tokyo treaty talks caused by summit security measures and seen on television all over Japan.

Now in his fourth year in office, Mr. Nakasone is Japan's most enduring prime minister since Eisaku Sato, who left office in 1972. The summit meeting was particularly important to him because he has claimed a special facility in dealing with foreigners.

He is an unusual leader by Japanese standards. He has considerable charisma, can make jokes in English and is on first-name terms with President Ronald Reagan, a fact that is known here as "the Ron-Yasu relationship."

Japanese political commentators say Mr. Nakasone felt his stock would be boosted both by scenes of him chatting amicably with Mr. Reagan, which he called the

At the Summit, Surprising Frankness And Unity on Dealing With Terrorism

By R.W. Apple Jr.
New York Times Staff Writer

TOKYO — In a country where political indoctrination is an art form, a country where the simplest question elicits an answer as complicated as Kahlui, the traditional and highly stylized popular drama.

And yet the Tokyo summit conference that ended Tuesday — the 12th annual meeting of the leaders of the seven biggest industrialized nations — set some precedents as a standard, as these things go, for directly addressing problems. Perhaps more than at any previous meeting, the papering-over, the fudges to which the leaders have so often resorted in the past to create at least a semblance of unity, were for the most part unnecessary.

The reason was an ample supply of that essential commodity, political will. It was present in Tokyo, and it made possible a cohesion that surprised many of the participants. For a seemingly paradoxical reason: a degree of clarity only two or three weeks ago that all knew had to be removed.

When U.S. warplanes attacked Baghdad and Tripoli on April 15, they created political convulsions in Western Europe. The bombing of Libya prompted condemnations by many governments, demonstrations in the streets and a considerable degree of anger even among the usually politically passive. If we know that, at home, Reagan is an immensely popular figure who won't be likely to change his mind about this.

For its part, the United States also adopted new tactics. Critics of France for refusing overnight privileges was muted. Talk of more air strikes was dropped. And, most important, the anti-terrorist steps taken by the Europeans were applauded, rather than being defended as too little, too late.

A senior White House official said: "By the time we left for Tokyo, it was evident, despite all the headlines about a split between Europe and the United States, that the Europeans were trying. So we decided to let that develop, to let the world take its natural course and ride it as far as we could. To our surprise, it got us to the beach. For us, it was pretty good, a bit more mobile than we usually are. The Europeans live in a world of stability, but we don't need to do that."

Mr. Reagan took the same approach here, discussing an "array" of possible actions rather than identifying one or two specific measures, such as an oil embargo, as the seed of European good faith in combating terrorism. A State Department official asked a couple of days ago, "What's the alliance does matter to us, the United States does matter to us and

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Iraqis Bomb Refinery In Suburb of Tehran

TEHRAN — An Iraqi warplane bombed Tehran's main oil refinery Wednesday, starting a huge blast that spread a pall of smoke over the southern of the Iranian capital.

Witnesses said the bomb landed in the middle of the refinery but the blast, which could be seen from more than 10 miles (16 kilometers) away, spread to three points in the complex.

"Iraqi planes violated the airspace of Tehran and hit a point in downtown city," the press agency IRNA said. It said only the refinery was in the area of the attack, but the fire brigade confirmed it had been hit.

It was the first Iraqi raid on Tehran in about 11 months. In the last attack, about 400 Iranians were reported killed in about 30 Iraqi air raids on the capital, and Iran hit back with at least 10 long-range missile attacks on Baghdad.

Observers said the latest raid was sure to trigger retaliation from Iran, probably in the form of a ground attack.

An Iraqi general on the southern Gulf waterfront said a major Iranian offensive there was imminent.

U.S. Is Said to Weigh Prosecution of 5 Publications

By George Lardner Jr.
Washington Post Staff Writer

WASHINGTON — The Reagan administration is considering the criminal prosecution of five news organizations for publishing information about American intelligence-gathering operations, particularly intercepted communications reflecting U.S. capabilities to break codes.

Such prosecutions have never been initiated against a U.S. newspaper or magazine.

William J. Casey, director of Central Intelligence, said he had discussed the possibility of such prosecutions with Deputy Attorney General D. Lowell Jensen at a meeting Friday.

"We've already got five absolutely no violations," Mr. Casey said, according to two Washington Post editors who met with him Friday.

Mr. Casey was apparently referring to alleged violations of a 1950 statute that makes it illegal to "knowingly and willfully" disclose or publish classified information about codes, cryptos or "communication intelligence activities of the United States, or any foreign government."

Mr. Casey added, however, that no final decision had been made

about whether indictments would be sought.

He named the five news organizations as The Washington Post, for stories about U.S. intercepts of messages between Tripoli and the Libyan People's Bureau in East Berlin; Newsweek, also for reporting on intercepted Libyan communications.

Mr. Casey warned the two Post editors that prosecution against the newspaper would be considered if the Post were to publish another story it has prepared concerning U.S. intelligence capabilities.

Witnesses said that the "intelligence statute" and the "criminal statute" that he appeared to be referring to Section 793 of Title 18 of the U.S. Code, the "COMMINT" statute that Congress first passed in 1950 to protect its communications intelligence activities.

The White House national security adviser, John M. Poindexter, and Lieutenant General William E. Odom, director of the code-breaking National Security Agency, also have said that the administration was looking for ways to stop leaks to the news media.

Their meeting of 18 USC 793, General Odom told one Post editor.

The law carries a maximum penalty of 10 years in prison and a \$10,000 fine.

Officials of the other publications Mr. Casey mentioned said they knew of no other warnings about any stories of this.

"It's news to me," said A.M. Rosenthal, executive editor of The New York Times. "I know we did

stories that referred to intercepts from East Berlin. But I know nothing officially about this."

Officials at the Justice Department refused to comment.

The threat of criminal prosecution would appear to be part of increasingly vigorous administration efforts to stop unauthorized leaks of sensitive information.

In 1983, for instance, President Ronald Reagan issued a national security directive that would have required every federal employee with a security clearance to submit to lie-detector tests if asked.

This was shelved after heavy congressional criticism, but thousands of officials are being required, under another portion of the directive, to acknowledge in writing that they face criminal and civil penalties for any unauthorized disclosures for the rest of their lives.

In 1983, the Justice Department successfully prosecuted a former naval intelligence analyst, Samuel Loring Morison, for furnishing to a British magazine, Spectator, two years for espionage and theft, Mr. Morison — now free on appeal — was the first person

if you publish this, I would recommend that you be prosecuted under the intelligence statute."

In the meeting, held at Mr. Casey's request, the CIA director did not specify what statute he had in mind, mentioning only "the intelligence statute" and the "criminal statute." But he appeared to be referring to Section 793 of Title 18 of the U.S. Code, the "COMMINT" statute that Congress first passed in 1950 to protect its communications intelligence activities.

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Gaston Defferre, 75, mayor of Marseille who served as interior minister in the Socialist administration of President Francois Mitterrand, died Wednesday. Page 2.

- Bangladesh opposition leaders accused General Ershad's supporters of fraud in the first elections in seven years. Page 2.
- The Senate Finance Committee approved a tax-overhaul bill by a vote of 20-0. Page 3.
- NBC News was criticized for agreeing to keep the whereabouts of a terrorist suspect secret. Page 5.
- Profits for Philips, Europe's biggest electronics concern, fell 45 percent in the first quarter. Page 11.
- A bid by Interpublic for Ted Bates could threaten Saatchi & Saatchi's offer. Page 11.

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Bangladesh Leader Is Accused by Foes Of Election Fraud

The Associated Press
DHAKA, Bangladesh — Two major opposition leaders accused President Hussain Mohammad Ershad's military government of major vote fraud Wednesday, in Bangladesh's first parliamentary election in seven years.

Sheikh Hasina Wazed, leader of the Awami League, the major opposition party, said three persons had been killed in election clashes in the southern port of Khulna. Abbas Ali Khan of the Modern Democratic Party reported incidents of violence at the polls.

At a news conference just before the polls closed, Mrs. Hasina said her alliance and the people of Bangladesh would not accept the results. She said she had reports of interference with voting in 100 of the 300 districts voting for members of Parliament.

General Ershad, who dissolved Parliament when he seized power in 1982, said the election would be a first step toward civilian rule in this country of 100 million.

"This is not rigging but outright robbery of votes," Mrs. Hasina said. "They have stolen the victory from us, but we won't let this happen."

Mr. Khan, who ran for a district in Dhaka, told a news conference that he was withdrawing from the election, and said General Ershad's supporters had used automatic weapons and small hand-thrown explosives all over the capital.

Ershad supporters chased away reporters trying to verify a report that a polling place had been seized and the ballot box was being stuffed with fraudulent votes.

In the industrial district of Narayanganj, a traditional stronghold of the Awami League, reporters saw small bombs being thrown and polling places being seized.

At a rural district near Narayanganj, about 35 miles (40 kilometers) east of Dhaka, an independent candidate, Ahmed ul-Kabir, said there had been trouble almost all the voting stations in the district.

Calling the level of fraud and intimidation "unprecedented," he said shots had been fired and grenades thrown the night before the vote to intimidate voters. Five people were wounded, he said.

Other reports said that some incidents were initiated by supporters of opposition parties.

■ Leaders of the Opposition
Steven R. Weinman of *The New York Times* reported:

For years, opposition to General Ershad has been led by two men, who carried the standards of family members killed during coups and riots in Bangladesh since it broke from Pakistan in 1971.

One is Begum Khaleda Zia, who heads the Bangladesh National Party, founded by her husband, General Ziaur Rahman, who seized power in 1975 and was assassinated in 1981.

The other is Mrs. Hasina, daughter of Sheikh Mujibur Rahman, the first prime minister, who was assassinated in 1975.

In March, Mrs. Hasina surprised the opposition by agreeing to stand in election if General Ershad promised not to use the government to push his own candidates.

She was granted air time on the national radio and television network. But in the last few weeks Mrs. Hasina charged that General Ershad had allowed his allies to wage a campaign of intimidation and violence against the Awami League. Her allies said 5 of the party's politicians have been murdered and 500 wounded in recent weeks.

Most independent analysts say the newly created political party allied with General Ershad is likely to win most of the 300 seats at stake. General Ershad has said he hoped it could win as many as 200.

Mrs. Hasina's Awami League is expected to win 80 to 100 seats in the new Parliament.

Alcino Di Costa, a UNESCO spokesman, said that UNESCO did not comment on individual personnel cases as a matter of policy but he denied that nationality was a factor in the dismissals.

"Director-General M'bow has repeatedly stated that the status of employees would not be affected by their nationality or their government's decision with respect to UNESCO," Mr. Di Costa said.

The United States withdrew from UNESCO in 1964 and Britain followed at the end of last year. Both said that the agency had an anti-Western bias and was poorly administered.

Since the withdrawal of the United States, which contributed about one-fourth of UNESCO's annual budget, the organization has begun a series of employee "redeployments" that have been forced by the financial crisis. UNESCO officials have been offered incentives to resign so those remaining could be "redeployed" from programs that were being canceled or phased out.

In a speech Wednesday, Mr. M'bow said that because of the agency's financial condition, he

had considered the redeployment of 558 posts. Of these, at least 19 officials would have to be dismissed, he said, including two of UNESCO's directors, whom he did not name.

Word of the dismissals spread as UNESCO's 40-member Executive Board, its governing council, opened a two-day meeting. Diplomats said the Soviet Union was expected to propose to the board that nonmembers of UNESCO should not occupy posts in the organization.

Mr. Najman, a Yugoslav who has been with UNESCO 30 years, said that he was stunned by his dismissal, which he learned of Wednesday in a letter from the director of personnel. The letter, dated April 30, said the agency's financial crisis, he said, and stated that UNESCO had been unable to find a post compatible with his qualifications.

He said he intended to protest the action to the International Labor Organization.

Mr. Solomon, who has been with UNESCO for 26 years, 12 of those as director of socio-economic analysis, said that he was not

troubled, rather than confident, of the agency's future. He said that, of his 26 years, his friendship with Mr. Reagan got him nowhere.

Mr. Najman said he had declined the summit meeting was a failure, describing it as "full of substance" in a press conference Tuesday. "I am not sure," he said, "that I have increased but at the same time so has his responsibilities," he said.

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Army troops guard a polling station in Narayanganj, Bangladesh, on Wednesday.

UNESCO Dismisses Critic of M'bow; An American Also Loses His Position

By Judith Miller

New York Times Service

PARIS — UNESCO has dismissed a prominent critic of the director-general, Amadou Mahtar M'bow, and has informed its highest ranking American that he also must leave the organization.

UNESCO employees and Western diplomats said Wednesday.

The dismissals of Dragoljub Najman, a former assistant director-general for cooperation for development and for external relations, and Edwin Solomon, an American who was director of the division of socio-economic analysis, surprised and angered several Western members and observers at the United Nations Education, Scientific and Cultural Organization.

Both were tenured employees entitled to priority in reassignment and theoretically could not be dismissed. Mr. Solomon's position was abolished.

Mr. Najman, a Yugoslav who has been with UNESCO 30 years, said that he was stunned by his dismissal, which he learned of Wednesday in a letter from the director of personnel. The letter, dated April 30, said the agency's financial crisis, he said, and stated that UNESCO had been unable to find a post compatible with his qualifications.

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Shultz Snubs 2 Leaders of Opposition In Korea

The Associated Press
SEOUL — Secretary of State George P. Shultz said he would not meet with the two most prominent critics of the South Korean government during a 24-hour visit here that began Wednesday.

Mr. Shultz gave a ringing endorsement to President Chun Doo Hwan and criticized "violent confrontations" with the government.

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"The Koreans are not leaders of their party," Mr. Shultz said on the way to Seoul from Tokyo, where he had been on a seven-day summit meeting of industrial democracies.

Mr. Shultz said the two had been invited, however, to meet with Assistant Secretary of State for East Asian and Pacific Affairs, but had declined.

"I have a similar number of times," Mr. Shultz said, explaining his refusal to meet with the two opposition leaders with "diversity."

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Lee Moo Wo, president of the New Korea Democrats, and Kim Dong Yong, the minority party leader, were among those invited.

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WORLD BRIEFS

U.S. and China Discuss Arms Sales
WASHINGTON (AP) — Pentagon officials, playing host to China top military leader, have discussed possible new arms sales and joint armed forces exercises.

The talks, held Tuesday, also focused on the sharing of military technology and the possibility of Chinese port calls by U.S. warships, a Pentagon said.

General Yang Dezheng, the chief of the general staff of China's Army met for an hour Tuesday morning with Admiral William J. Crowe Jr. for another hour late in the day with Defense Secretary Casper Weinberger. Defense Department officials said the Chinese had broached the possibility of joint military exercises.

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Senate Panel Backs Tax-Overhaul Bill

Los Angeles Times Service

WASHINGTON — The Senate Finance Committee voted 20-0 on Wednesday to approve what some officials said may be the most sweeping tax-overhaul bill since World War II.

The legislation, which now goes to the Senate floor for a probable June vote, would reduce personal tax rates to the lowest level in half a century and trim corporate taxes from their current rate of 46 percent to 33 percent.

The bill would replace 15 personal income tax brackets, ranging from 11 to 58 percent rates, with two, at 15 and 27 percent. Eighty percent of Americans would fall in the lower bracket.

It would end all but a few tax shelters for the wealthy, and would shift roughly \$30 billion of revenue from those defunct shelters to lower taxes for poor and middle-income individuals.

If the bill takes effect, individuals will receive an average tax cut of about 6 percent.

Deputy Treasury Secretary Richard G. Darman called the bill "one of the two or three most significant tax bills of the century."

Bob Packwood, the Oregon Republican who is chairman of the Finance Committee, said the bill would pass the Senate by an "overwhelming" margin with few changes.

What sealed the approval, after a day in which Senator Packwood battled repeated efforts to alter the bill, was a compromise with oil

state senators that opened the only significant loophole in the measure. As part of a \$146-billion package of technical amendments, the panel voted to allow \$1.4 billion to preserve tax shelters now enjoyed by some oil and gas drillers and their investing partners.

Bill Faces Difficult Fight
David E. Rosenbaum of The New York Times reported.

The Senate bill follows the thrust of the plan proposed by President Ronald Reagan last spring and the bill approved by the House of Representatives last December.

It faces a difficult fight on the Senate floor, and will not easily be reconciled with the House bill.

The proposal would vastly simplify individual tax returns. Most taxpayers would no longer have to keep careful records. The deductions that would be retained are, for the most part, those such as mortgage interest payments, that are reported to taxpayers at the end of the year.

In addition to mortgage interest, the bill would permit deductions for state and local income taxes, property taxes and, for itemizers, charitable contributions.

Deductions would no longer be allowed for individual retirement accounts, although money already in IRAs and subsequent contributions could continue to receive tax-free interest and dividends. The deduction for union dues would be repealed.

Because deductions would be eliminated at the beginning of next year and the rate cuts would not go into effect until the middle of the year, many taxpayers could face a small tax increase in 1987, especially those with incomes over \$50,000 a year, committee staff members said.

Few pieces of legislation have had as many lives as the tax bill. Only two weeks ago, it was given up for dead by many analysts, but Senator Packwood revised his plan and put together a coalition of Republicans and Democrats behind it.

On Tuesday, he persuaded his colleagues to offset any revenue-losing amendments with provisions that would raise a like amount of money.



An \$11-million wrought-iron security fence has been proposed for the U.S. Capitol.

Plan to Protect Capitol Splits Congress

Proposal for Anti-Terrorism Fence Stirs Deep Emotions

By Steven V. Roberts

New York Times Service

WASHINGTON — Just about every member of Congress agreed that the U.S. Capitol is the preeminent symbol of American democracy. But they are deeply divided over the appropriate way to protect the building and the people who work there in an age of terrorism.

The Capitol has long been more open and accessible than the other major federal buildings in Washington. About 10 million people visit the building every year, more than half of them schoolchildren.

But the Capitol is a special place to the people who work in it. Often, as they head for home, they can be seen pausing for a momentary glance at the great dome, propped against the evening sky. It is a sight and a symbol that never grows old for them.

To some, then, new proposals to protect the Capitol from terrorist attacks threaten to diminish that symbol and tell the world that the United States is not quite as free as it once was.

"It's a sad day, a sad situation," said Senator David H. Pryor, Democrat of Arkansas, "when we have to think about fencing off the greatest public symbol of democracy in the whole world."

The senator was commenting on a new plan, advanced by members of the Senate and House leadership, to build a wrought-iron fence surrounding the Capitol grounds at a cost of about \$11 million.

Visitors would be screened far from the building by metal detectors at gates in the fence. Under current procedures, metal detectors are within the doors of the Capitol.

The new plan would also banish virtually all the 850 cars that park on the Capitol grounds daily. The parking lots would be turned into landscaped grounds and fountains.

"The terrorists have won," Mr. Pryor said. "Not the war, but at least part of the psychological battle."

"The terrorists have not won," countered Senator Alan Cranston of California, the Democratic assistant minority leader, who helped draft the plan. "But reasonable people take reasonable precautions."

The proposed security measures touch a deep chord of emotion in lawmakers, who are trying to strike a balance between the image they want to project and the building they want to protect.

The fear of attack first chilled the Capitol in November 1963, when a bomb placed near the Senate chamber exploded in the night. No one

was injured, but the explosion instigated a series of security measures, including a pass system and armed guards at every entrance.

Since that incident, said Senator Alan K. Simpson of Wyoming, the Republican assistant majority leader, senators have been subjected to a rising number of threats. According to the Capitol Police, vehicles posing a danger to the building and its occupants have been stopped eight times near the grounds.

Mr. Cranston said Congress had "a duty to do all we can" to protect the tourists who visit the Capitol.

The worst damage to the Capitol as a symbol would come from a successful terrorist attack, he said. The new plans could come up for a vote in the Senate within a few weeks.

"I'm not that enthusiastic about it, to be perfectly truthful," said House Speaker Thomas P. O'Neill Jr.

6 Killed in Brazilian Jail

The Associated Press

RIO DE JANEIRO — Six inmates were killed Tuesday when fighting broke out in an overcrowded jail in Sorocaba, a city in São Paulo state, Brazilian television reported.

Helms's Protégé Loses in Primary

By Paul Taylor

Washington Post Service

WASHINGTON — In the most contentious battle in the three states that held primary elections Tuesday, Representative James T. Bryant of North Carolina, a 12-term Republican congressman, and Terry Sanford, a Democrat who was a governor there in the 1960s, easily won their parties' Senate nominations.

The men are seeking the Senate seat held by John F. East, a Republican who is retiring for health reasons.

In Ohio, James A. Rhodes, another former governor trying to make a political comeback, defeated two Republican rivals. Mr. Rhodes, 76, is seeking a fifth term. Governor Richard F. Celeste, 48, a Democrat who lost to Mr. Rhodes in 1978, is seeking a second four-year term.

In Indiana, Jill Long, a Valparaiso city councilwoman and university professor, easily defeated a fellow Democrat, Mr. Long, 35, who will face Senator Dan Quayle of Fort Wayne, who was unopposed in the Republican primary.

Another candidate backed by Mr. LaRouche, Don Scott, was easily defeated in Ohio's Senate primary by Senator John Glenn for the Democratic nomination, while Representative Thomas N. Kindness was unopposed for the Republican nomination.

The most bitter primary battle was in North Carolina. Mr. Bryant, 55, was attacked throughout the campaign by his opponent, David Funderburg, as not being a true conservative. Mr. Funderburg, 40, a former ambassador to Romania, was backed by Senator Jesse Helms's National Congressional Club.

With 99 percent of the vote counted, Mr. Bryant, known in North Carolina as "Mr. Republican," led Mr. Funderburg by 67 to 30 percent.

Mr. Helms remained publicly neutral in the contest, though the leaders of his political organization had recruited Mr. Funderburg, mapped his strategy and written his television ads.

In the Democratic primary, Mr. Sanford, who retired last year as president of Duke University, won an easy victory over his nine opponents, receiving 60 percent of the vote.

Democrats hope a victory in North Carolina in November can help them overcome the Republicans' 53-47 edge in the Senate.

In Ohio, with all precincts reporting, Mr. Rhodes won the Republican nomination over State

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U.S., Despite Warnings, to Develop New Aircraft

By George C. Wilson

Washington Post Service

WASHINGTON — A decision by the Pentagon to develop a combination helicopter and airplane for the U.S. Marine Corps follows warnings about the project from Pentagon analysts and the House Armed Services Committee.

Critics say the aircraft, called the V-22 Osprey, is entering full-scale development at a time when there

is not enough money to finance it. They also say that existing helicopters could do the same job and that uncertainties hang over the technology envisioned.

Supporters say the Marines must have the Osprey because their helicopter force is growing obsolete. They also say that three years of testing have resolved the technical questions.

In an announcement Friday, the Pentagon said it was awarding the contract to Bell Helicopter Textron Inc. of Fort Worth, Texas, and Boeing Vertol Co. of Philadelphia a

down payment of \$497.3 million for full-scale development of the Osprey. The aircraft was formerly called the JTV.

Full-scale development is the last step before full production and, if completed, will result in 12 flying prototypes by 1991.

Colonel H.W. Blot, the Marines' Osprey program manager, said

Monday that the tilt-rotor aircraft would be able to hover like a helicopter or fly straight ahead like a conventional plane, with better speed and range than anything of its kind.

He put the price for 913 Ospreys at \$25 billion in fiscal 1994 dollars. Other Pentagon officials said the cost would be \$40 billion when inflation and other increases were counted.

The Osprey's engines and propellers are mounted on the ends of the wings and can be tilted up for vertical flight. The engines are

locked in the conventional airplane position for straight-ahead flight.

Some critics contend that the wing, to be built of new composite materials, will not be able to take the strain of this rotation while carrying a combat load of Marines and equipment.

However, Colonel Blot said scale-model prototypes of the Osprey had shown that the new technology would work.

The Pentagon's office of program analysis and evaluation concluded three years ago that the Osprey concept was seriously flawed and that a combination of the CH-53E Super Stallion and CH-46 Blackhawk helicopters could do the job for \$9 billion less than the Osprey.

U.S. Senate Passes Bill That Relaxes Gun-Control Law

New York Times Service

WASHINGTON — The Senate has given final passage to a bill that eases several provisions of the U.S. federal law on gun control. The bill, which the House approved last month, now goes to President Reagan, who is expected to sign it.

Passage came Tuesday on a voice vote. In an unusual procedural move, the Senate at the same time approved a package of amendments, introduced as a separate bill, that was designed to meet objections of a coalition of law-enforcement groups that had lobbied strenuously against the main bill. The House is expected to approve the amendments.

The main bill makes it easier to buy, sell and transport firearms across state lines. It also limits record-keeping requirements by gun dealers and increases the number of people who can legally sell firearms without keeping records.

These provisions were sought by the National Rifle Association, which made the bill a top legislative priority and said it spent \$1.6 million lobbying for its approval.

One of the amendments requires gun dealers to keep records of all sales from their personal collections. Another is designed to close what law-enforcement groups had identified as an unintended loophole in the main bill's definition of those who must be licensed to "engage in the business" of dealing in firearms. This amendment makes clear that the definition applies to those who provide firearms at cost, as well as at a profit, to groups or individuals who advocate violence.

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Multiracial Party Wins in Malaysian State

By Michael Richardson
New York Times Service

KUALA LUMPUR, Malaysia — The ruling multiracial party in the state of Sabah won a landslide victory in the state assembly election held Monday and Tuesday.

The victory of the Parti Bersatu Sabah in elections held Monday and Tuesday is expected to end a long period of political turmoil and violence in the state and tension with the national government, according to political analysts.

In several weeks of violence last March, more than 50 people were killed, five people were killed and more than 1,500 were arrested for rioting and illegal assembly.

The analysts said the National Front, a coalition which 11 constituent parties control the government in Kuala Lumpur and all of Malaysia's 13 states except Sabah,

would accept the party as a new member after rebuilding its last year. The party won 34 of the 48 seats in the state assembly.

Patin Kiting, the leader of the victorious Sabah party, said it would apply for admission to the front. He was sworn in again as chief minister of the state Wednesday and described his victory as a "triumph for multiculturalism."

The front is led by Prime Minister Mahatir bin Mohamad. A statement issued by the Malaysian cabinet Wednesday after a meeting in Kuala Lumpur congratulated the party on its victory.

Last March the Sabah party accused federal authorities of seeking to undermine its hold on power by failing to take firm action to halt illegal street demonstrations led by prominent figures in the two main opposition parties, both drawing the bulk of their support from Moslems.

Opposition leaders and protesters claimed the state government was discriminating against Moslems, but the ruling party vehemently denied this and said the people should decide the political future of the state in elections.

Moslems form the largest single ethnic group in Malaysia, which has a population of 15 million. But in Sabah, the country's richest state, Moslems are outnumbered by predominantly Christian Kadazans and non-Moslem Chinese.

The Kadazans are the largest indigenous group in Sabah, which lies on the northern part of Borneo island.

Mr. Patin said his victory proved that the party had substantial support among all religious and racial communities in the state, noting that it had won nine of the 22 predominantly Moslem seats. He said his new cabinet would be made up of five Kadazans, four Moslems and three Chinese.

In another development, Dr. Mahatir announced a cabinet reshuffle that analysts said was intended to promote an image of renewed unity and purpose in the National Front at a time of economic recession in Malaysia.

The reshuffle followed the resignation of Deputy Prime Minister Musa Hitam on March 16. He complained of being excluded from decision-making and being wrongly accused of trying to undermine Dr. Mahatir's position.

The analysts said the cooling of the Sabah issue and the request of the Parti Bersatu Sabah to join the front was one of the factors likely to prompt Dr. Mahatir to call early general elections.

National elections are expected in July or August, before the government's term of office expires in April 1987.



Mahatir bin Mohamad

Marseille's Socialist Mayor Dies At Age 75

By Sherry Buchanan
International Herald Tribune

MARSEILLE — Gaston Deferra, 75, the Socialist mayor of Marseille for more than 30 years and a leading figure in postwar French politics, died Wednesday of heart injuries suffered in a fall at his home.

Mr. Deferra, a millionaire, ran twice for the presidency, in 1963 and 1969, in addition to his roles as government minister, parliamentarian and newspaper proprietor.

His last government posts were in the 1981 Socialist administration of President Francois Mitterrand, who awarded him the Interior Ministry.

In July 1984, Mr. Mitterrand switched him to the planning and regional development portfolio, the first step toward an honorable retirement.

A staunch anti-Communist, Mr. Deferra spent much of his career fighting off charges that he was a Communist agent, a charge he denied.

He was leader of the Socialist group in the National Assembly from 1967 to 1981. He held on to his post as interior minister through three Mitterrand government reshuffles.

Mr. Deferra was born into a wealthy Protestant family in southern France. He studied law and joined the Socialist Party in 1933.

He later said that the party gave him a chance to work in favor of the underdog.

After the Nazi invasion of France in 1940, he became a member of his party's clandestine executive and made several trips to Britain and Algeria for talks with General Charles de Gaulle.

The resistance leader he headed carried out several major operations against Nazi forces and helped Allied armies shut down the Vichy government.

Mr. Deferra was first elected mayor of Marseille for a year in 1951, but he was re-elected in 1955 and 1959. He was re-elected in 1963 and 1967.

He was re-elected in 1971 and 1975. He was re-elected in 1979 and 1983. He was re-elected in 1987 and 1991.

He was re-elected in 1995 and 1999. He was re-elected in 2003 and 2007. He was re-elected in 2011 and 2015.

He was re-elected in 2019 and 2023. He was re-elected in 2027 and 2031. He was re-elected in 2035 and 2039.

He was re-elected in 2037 and 2041. He was re-elected in 2045 and 2049. He was re-elected in 2053 and 2057.

He was re-elected in 2061 and 2065. He was re-elected in 2073 and 2077. He was re-elected in 2085 and 2089.

He was re-elected in 2101 and 2105. He was re-elected in 2117 and 2121. He was re-elected in 2133 and 2137.

He was re-elected in 2145 and 2149. He was re-elected in 2161 and 2165. He was re-elected in 2183 and 2187.

He was re-elected in 2173 and 2177. He was re-elected in 2193 and 2197. He was re-elected in 2213 and 2217.

He was re-elected in 2203 and 2207. He was re-elected in 2223 and 2227. He was re-elected in 2243 and 2247.

He was re-elected in 2233 and 2237. He was re-elected in 2253 and 2257. He was re-elected in 2273 and 2277.

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Living Abroad

Best of Both Worlds: Bilingual Children and Their Parents' Choices

By Sherry Buchanan
International Herald Tribune

Among other major questions for people living in foreign countries, parents have to decide whether to educate their children as if they were still at home, whether to immerse them in the foreign language and culture or whether to try to get the best of both worlds.

A major objection to total or even partial immersion is no loss of the child's native language. Recent social research has discredited the long-held assumption, especially among American parents, that learning another language leads to writing, spelling and reading disabilities and possibly psychological traumas.

According to a series of recent studies, children have no trouble picking up another language and, on average, become fluent in it after three years. And bilingual children score better than other children on certain aptitude tests.

In "Givergiving" thinking, for example, the ability to look at a problem from different angles, bilingual children score better. They also test better on certain aptitude tests.

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He later said that the party gave him a chance to work in favor of the underdog.

After the Nazi invasion of France in 1940, he became a member of his party's clandestine executive and made several trips to Britain and Algeria for talks with General Charles de Gaulle.

The resistance leader he headed carried out several major operations against Nazi forces and helped Allied armies shut down the Vichy government.

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Hugo Bastes Beardsmore, professor of English and bilingualism at Vrije Universiteit Brussel, the Flemish university in Brussels, and author of "Bilingualism: Basic Principles," said: "There are very few studies that show that children are confused about language. It is the parents who are confused."

According to experts, parents brought up in one language and culture tend to blame a new language for the child's and their own difficulty in adapting to a new environment. They want their children to pick up a second language, but can feel alienated once the child does.

Susan Reimer-Torn, publisher and editor of Kids Extra, a Paris-based quarterly publication, said: "The idea that my first son had to learn French was a nuisance to me. I felt imposed upon by a new culture, and language was an easy thing to take out of me."

But she and her husband, a Frenchman, stuck to what became the golden rule: one parent, one language. If one parent tries to speak two languages, those experts feel the child becomes confused. Mrs. Reimer-Torn spoke her native English, her husband his native French. Their son, now 7, became fully bilingual.

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Polish livestock, believed to be dying, were held at a railway siding on the Italian-Austrian border on Tuesday after tests on the animals showed radiation levels above normal.

Soviet Delay Hinders Assessment of Accident

By Walter Sullivan
New York Times Service

NEW YORK — The implications of a Soviet Union's disclosure of the 36-hour delay in evacuating towns downwind of the Chernobyl reactor, presumably exposing the populations to radioactive fallout, are difficult to estimate without more detailed information.

The new town of Prypiat, with a population of 25,000, was little more than 12 miles (19 kilometers) northwest of the burning reactor. The direction the wind was apparently blowing immediately after the accident was toward the town.

The accident occurred at 1:23 A.M. on April 26, Soviet officials said, but it was not until 2 P.M. the next day that the first major evacuation of the town began. The 49,000 residents of towns in the area.

On Tuesday, Yuri S. Sedukhin, first deputy director of the State Committee on Meteorology and Environmental Protection, said at a Moscow news conference that radiation levels in Chernobyl, close to the plant, rose to 15 millirems per hour, but by Tuesday had dropped sharply.

Specialists here found it difficult to believe the radiation level was that low so close to the plant. They noted that on Saturday, Boris Yelstin, a high-ranking Soviet official, said that West German television news coverage of the accident site "has dropped considerably, but is still at 200 roentgens per hour."

On May 1, the Soviet government announced that radiation levels in Prypiat were down by 33 to 50 percent, without saying how high they had been.

A handbook on radiation by Francis I. Brannigan of the U.S. Department of Energy says that in a population exposed to 500 roentgens per hour, about 50 percent of the people would die within a few days. The first deaths would occur within 200 to 250 roentgens, whereas at 25 roentgens, inhabitants of the area would die within a few weeks.

It is suspected by radiation specialists here that before the evacuation, inhabitants of the area inhaled enough radioactive iodine-131 to affect their thyroid glands.

Iodine tends to lodge in the thyroid gland and can cause damage sufficient to produce nodules and possibly cancer many years later. They may also have been exposed to radiation from particles of strontium-90 and cesium-137.

The strontium emits high-energy beta particles. The cesium radiation emits gamma rays, which penetrate the body through to the area residents.

Dr. Curran said blood transfusions in the United States were now safe because of a test that detects antibodies to the AIDS virus. The test has been used in recent months to screen all blood donations.

Concern has been expressed that the blood test would, in some cases, miss the disease because it is free of the virus. Dr. Curran said data indicated that the chances of that happening were about one in 10,000.

More than 20,000 cases of AIDS have been reported to the Centers for Disease Control and Prevention since 1981. The disease accounts for 73 percent of the deaths of whom 11 percent are also intravenous drug users. An additional 17 percent are intravenous drug users. Among the remaining 10 percent are hemophiliacs and other small miscellaneous groups.

Dr. Curran said that the disease is still in progress, it was predicted that the disease would show a distinct decline.

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Rise in U.S. AIDS Cases Is Expected for 2 Years

By Lawrence K. Altman
New York Times Service

NEW YORK — The number of AIDS cases in the United States is expected to rise for at least two more years, according to a federal health official.

Dr. James W. Curran, of the Centers for Disease Control in Atlanta, also said Tuesday that physicians were diagnosing more cases of the initial acquired immune deficiency syndrome from more areas of the country than previously.

"You cannot truly predict the course of the AIDS epidemic because the incubation period of the disease is variable and long," he explained. But he said he believed physicians would continue to see more and more new cases for at least two more years. He did not predict what would happen after that.

Dr. Curran said that New York and California now accounted for less than half of the nation's AIDS cases, as against 75 percent in 1981 and 1982. It was in those two states, in 1981, that AIDS was first recognized as a disease.

The disease now has been found in all states, the District of Columbia and four territories, he said. Other scientists taking part in a conference with Dr. Curran reported that they had found no evidence that mosquitoes or other common insects spread AIDS. Dr. Curran said that studies had found no role for insects in the spread of AIDS in Belle Glade, Florida, where the highest incidence of the disease is about as high as in New York and California and where questions have been raised about the role of insects.

Similarly, Dr. Thomas C. Quinn of the National Institutes of Health said that no evidence had been found that insects spread the disease in Africa.

Some experts have suggested that AIDS may be spread in a different way in Africa than elsewhere in the world. The disease has been found to be transmitted primarily through intimate sexual contact and intravenous drug use. In Africa it appears to be spread mainly through heterosexual contact, whereas in the rest of the world it appears to be spread mainly through homosexual contact.

Doctors here identified a few cases in which they could pinpoint the exposure to the AIDS virus. About two to three weeks after exposure, some people experience an acute flu-like illness accompanied by skin rash, swollen lymph nodes, nausea and diarrhea. These people usually develop antibodies to the AIDS virus about two months later.

Health workers have advised that condoms be used to prevent spreading the virus in sexual intercourse. Though studies of condom use are still in progress, it was predicted that the disease would show a distinct decline.

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Hu to Visit West Germany

By Sherry Buchanan
International Herald Tribune

BONN — The secretary-general of the Chinese Communist Party, Hu Yaobang, is to visit West Germany next month at the invitation of Chancellor Helmut Kohl, the German government said Wednesday. A statement said Mr. Hu also would meet with opposition politicians during his visit June 13-16.

Mr. Hu's visit is the first by a top Chinese official to West Germany since 1972. He will be accompanied by Vice Premier Qian Qunli.

The plan, which adds Yugoslavia to a list of countries proposed Tuesday by the EC Executive Committee, will be considered by member governments, which are being asked to give approval by Thursday afternoon, diplomats said.

NORTH AMERICAN REAL ESTATE

A SPECIAL REPORT

THURSDAY, MAY 8, 1986

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Canada: Oil Fall Troubles The West

TORONTO — The considerable momentum in Canada toward a more open, more business-oriented climate under Prime Minister Brian Mulroney was seriously interrupted, but not derailed, by the collapse of oil prices. That collapse, however, has created serious problems for much of Western Canada, especially the Edmonton and Calgary real estate markets.

Nail Young, executive vice president of the Campana Corp., a major commercial developer based in Toronto, observed that, with substantial overbuilding in recent years, "Calgary is bad, but Edmonton is worse, with net effective rents of two or three dollars a square foot a year."

Mr. Young noted that "in spite of everything, there was actually some talk of new building construction in Calgary" for one moment. He predicted that the 1988 Winter Olympics in Calgary would most likely "not have a major impact."

Indeed, Isadore Sharpe, the chairman of the Four Seasons hotel chain, also based in Toronto, noted that "Alberta is a disaster" because of its heavy dependence on the oil industry.

Further west, however, Mr. Sharpe added, Vancouver's Expo 86, a spectacular though modest world's fair, has been a great success. Nevertheless, many experts have observed that Vancouver's market is soft, with little relief in sight because of the continued depression in the metals and lumber industries.

Ottawa, according to Mr. Young, is a soft real estate market, but some new construction, especially retail, is moving ahead in Montreal, which is rebounding a bit from the bid times of the separatist campaign years, during which there was an anti-separatist financial activity to Toronto, which continues to boom.

While its office vacancy rate has almost doubled in the last few years to around 10 percent, Toronto remains one of the most active real estate markets in North America. Long a mecca for urban planners because of its excellent mass transit system, lively nightlife, robust residential architecture and strong sense of community, Toronto, nevertheless, is at a major crossroads in its history.

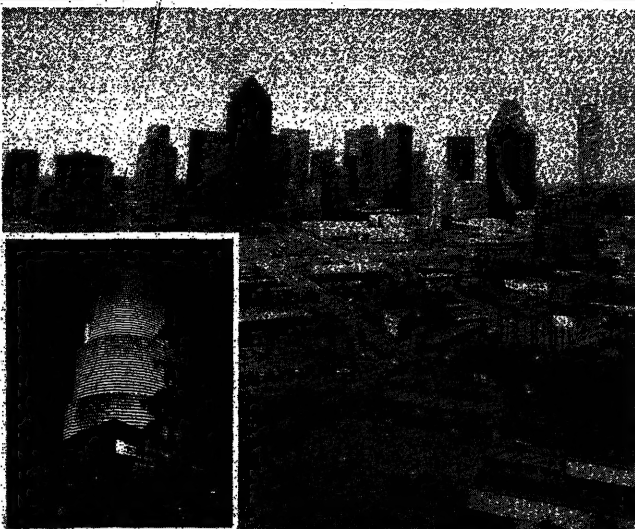
In recent months, it has approved several developments that will reshape its downtown core. It recently signed a fixed-price contract to build a large domed stadium on part of the railroad site that separates the financial district from the waterfront.

In a separate action, it approved 200 acres (80.5 hectares) of the yards to permit a maximum of 12 million square feet (1.1 million square meters) of commercial space and 4 million square feet of housing from a previous maximum of just 6 million square feet of commercial space.

At the same time, Toronto is awaiting federal approval of a plan to develop more than 1.5 million square feet of space on a site near the new convention center in the same vicinity to provide facilities for the Canadian Broadcasting Corporation. And another adjacent block, approximately 300,000 square feet, is being given away by the city to the Canadian Broadcasting Corporation. And another adjacent block, approximately 300,000 square feet, is being given away by the city to the Canadian Broadcasting Corporation.

This total of more than 13 million square feet represents a significant expansion of the city's commercial space, but Mayor Art Eggleton does not foresee the new "metropolis" destroying the city's widely acclaimed livability and civility. According to David Thomson of Oxford Development Company, there are about 22 million square feet in downtown Toronto.

(Continued on Next Page)



Central Dunes: The LTV tower, right, with pyramidal roof, was designed by Skidmore, Owings & Merrill and I.M. Pei. But overbuilding, the banking and oil crises have slowed down the Texas space (Page 8). Inset, Centrust tower in Miami by I.M. Pei is nearing completion (Page 9).

Design: Post-Modernism and Beyond

NEW YORK — The quality of architectural design for major commercial, retail, public and residential projects in North America's remarkably high in the last year or so is the first time in years.

There, of course, is a number of disappointments from some prominent firms, demonstrating that there may be a limit as to how many superb designs can be reasonably expected to be produced simultaneously by the same firm.

Skidmore, Owings & Merrill and I.M. Pei, two significant re-entries into design leadership, with such buildings as the LTV and East Commerce towers in Dallas for the former and the Centrust Tower in Miami and the new Convention Center in New York for the latter.

Meanwhile, John Burgee with Philip Johnson and John Pedersen Fox, two of the "best" firms of the last few years, continue to produce interesting, though occasionally uneven, work.

The third firm, that of Helmut Jahn, became more controversial, using rather faded, bland colors that greatly diminished the energy and originality of its State of Illinois Center in Chicago. It also displayed a great disregard for context in major towers for Bruce Gilman and George Klein in Manhattan.

Nevertheless, the design for Donald Trump for the railroad yards on the Upper West Side of Manhattan and for Olympia & York's submission for the South Ferry project, also in Manhattan, showed that Mr. Jahn is a master designer. The former included two sets of three related but different tall towers on either side of a proposed 150-story tower that would be the world's tallest building. The latter appeared to create a glass case the shape of the Eiffel Tower.

Meanwhile, Michael Graves, the country's most controversial architect and postmodern designer, was asked to redesign his plan for the expansion of the Whitney Museum of Art in Manhattan following strong public opposition to his proposal to tear down Marcel Breuer's Whitney Museum building under a pile of assorted stylized buildings blocks. Mr. Graves' new design is expected to be accepted.

The other is John Burgee with Philip Johnson's Crescent office, hotel and retail complex near the downtown center in Dallas. The huge, sculptural piece is rather like a cream plait with wings of ornate cast-iron filigree, seeming to wrap all its diverse elements rather neatly together.

The office portion is divided into three sections that are angled in an arc by concrete cast-iron screens in front of large plate-glass windows. The faces away from downtown and embrace a smaller neo-gothic building which is the hotel. On the other side of this is a wedge-shaped retail section with sunken courtyard, carillon railings and levels.

Despite its large size, there is almost a dollhouse charm to the project whose chateau facade creates the surreal low-rise building as if they were fallen statuary in a neglected formal garden.

John Burgee with Philip Johnson also were the architects for another French-inspired project, a grey-stone, medium-sized office building for Gerald D. Hines Interests on Montague Street in San Francisco, directly across from the monumental Bank of America tower. A well-intentioned, sedate and slight building, it, nevertheless, has what most post-modern buildings do not, prominent sculpture, in this case a series of multi-story white shapes standing with classical flair in front of a dark glass version of a slanting mansard-type roof. Almost 30 stories away from the street, the statues are clearly not high design and suggest the vestigial potential of modern-day whimsical abstract gargoyles, caryatids and the like.

In Washington, Arthur Cotton Moore has designed a new two-story, two-level design for Myrman Circle. The redevelopment of the Coliseum site at Columbus Circle.

Helmut Jahn's plan for Donald Trump's redevelopment of the railroad yards further west and north in Manhattan Circle at the Hudson River promises to be the architect's best work in New York. The proposal is for eight major towers, including one in the middle that would be the world's tallest building.

With the recent completion of a pier at the South Street Seaport, the city's decision to redevelop the immediate area of the Staten Island Ferry Terminal and the coming to fruition of Battery Park City, Lower Manhattan has been born again and is in good health.

The first commercial component and the second phase of residential construction at Battery Park City are now opening. The generally pleasing mix of curtain wall treatments on the facades and the geometric roof forms of Olympia & York's several large office buildings, all designed by Cesar Pelli, are to be united soon by a great glass "winter garden" that is nearing completion. Whereas the major Dallas developments

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Development Business Turns 'Lean and Mean' In a Changing Market

By Carter B. Horsley

NEW YORK — The office-building boom of the 1980s has created a new America that is increasingly decentralized, suburban and vacant despite the continued emergence of glamorous and festive downtowns.

Fueled more by the availability of aggressive financing than by demand for space, the overbuilding has continued longer than most real estate cycles and a substantial shakeout is expected by many leading developers, brokers, consultants and lenders. They have begun to align themselves in the last year or so with a variety of long-term "bitters" with deep financial pockets.

Doubling interest rates, however, together with renewed foreign investment, mounting concerns about international terrorism and the sure property of the Reagan era have somewhat dampened the present structure of the development business. However, if the new corporate image is healthy, it is also lean and mean rather than slack and expensive.

Even if a bust is averted, the real estate markets are not likely to revert to the frenzy of recent years. Cushman & Wakefield Inc., a leading national real estate management firm in New York, recently predicted that office starts will be 20 percent to 25 percent lower in 1986 than 1985 and noted that with lower effective rental rates and higher vacancies, building costs are expected to appreciate more slowly in the near future.

It also observed that some bargain hunting by investors is likely because prices for many properties may fall below their replacement costs. Leasing activity is likely to be considerable as many tenants take advantage of their bargaining position in the office plot by upgrading to newer quarters at little increase in cost, renewing at decreases and obtaining equity positions in some properties.

David S. Weinberg of the Cadillac Fairview Corp., a major development concern in both the United States and Canada, recently said in an interview that he did not foresee a resurgence of new construction until the early 1990s.

The problem varies greatly from one market to another. New York City and Washington are very strong markets. Boston and Philadelphia are undergoing renaissances, as are some smaller cities like St. Louis and Charlotte, North Carolina. On the other hand, the collapse in oil prices has severely hit such energy-dependent centers as Houston, New Orleans and Denver.

March Pogue, the chairman of the Lincoln Property Co., which is based in Dallas and is one of the nation's largest and most active developers, estimated that Houston may take some 10 years to absorb its surplus space, whereas Boston, San Francisco and Chicago might take only two years.

Mr. Pogue also noted that the trend of municipalities to impose growth controls was not unwelcome, citing San Francisco's adoption of a downtown plan last year that puts an annual limitation on the amount of new construction.

Anti-growth legislation is proliferating from the Carolinas to California. Boston, for example, is discussing a plan to "thick" commercial construction to housing programs and, while such proposals make the development process more difficult, they are beginning to be welcomed by many developers, who would rather deal with specific laws than with the uncertainty of political shifts.

For awhile, office space per worker increased steadily, but the great explosion of such space to meet the transformation of the U.S. urban economy from manufacturing to services may well be slowing.

John D. Downing, executive vice president of Cushman & Wakefield, noted in a recent speech that "it would be excessively optimistic to expect that the overbuilt office market will be absorbed through the 1980s."

Furthermore, he said, "the reconstruction of the American economy with coverage, buyouts, mergers and acquisitions is shrinking the size of corporate staffs." Mr. Downing predicted that absorption will rise from 20 million square feet (1.8 million square meters) last year to less than 150 million square feet annually for the rest of the decade, with vacancy rates increasing to more than 20 percent over the next year or so, resulting in a three- or four-year supply of space.

Indeed, only a few cities, such as Chicago, Philadelphia, New Orleans and New York, have larger central business districts than suburban space. Cities such as Los Angeles, Dallas, Washington, Houston, Miami, Cleveland, San Diego, Baltimore, Fort Worth, Texas, Hartford, Connecticut, and Tampa, Florida, have a third or less of their metropolitan region's market in their downtowns.

Miss Lachman observed that sprawling Los Angeles, with its "comprehensive nodes," appears to be the prototype of much new growth. "Downtowns are not dead, nor dying," she said. "The most new employment is going to the suburbs. Five years ago, 31 percent of new jobs were in the suburbs. Now it's 35 to 40 percent and downtowns will continue to lose share."

The Hyatt Hotels Corp. recently announced a major expansion program that calls for at least 40 medium-sized hotels geared to the business traveler to be built by the end of 1990 to meet the "rapid rise of deluxe suburban hotels" and "new villages springing up around major metropolitan areas."

At the top of the market, the Four Seasons hotel chain has launched a new program that includes two new mixed-use spa and hotel facilities in the Las Colinas suburban complex near Dallas and a

major new hotel in Newport Beach, California. The group is also beginning to consider resorts.

Some developers, such as the Centurian Development Group Inc. in New York, are now focusing on expanding the concept of high technology offices and research-park developments in joint ventures with universities.

George Sterilich of the Center for Urban Policy Research at Rutgers University said that "last year, roughly two-thirds of total office space was built outside the central city."

He added, "Despite the thin veneer of Manhattan and other world cities, the real center of the peak chop — the jobs and the residents incomes — is outside the circumferential belts, 30 or 40 miles outside of central business districts."

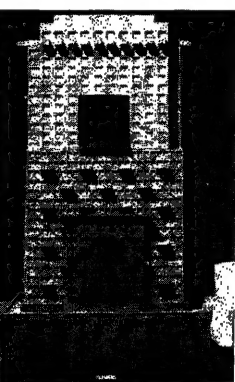
Mr. Sterilich noted that recently, "some of the smart money has been pulling out" of real estate investments.

Demand has been quite strong generally, but not enough to offset the tremendous amount of money chasing and creating new construction deals.

Mr. Pogue and many other experts noted that the nation's savings and loan industry "seemed to make several mistakes in their lending programs as to development and location." He said the "large development companies that had been through overbuilding cycles before knew what not to do and did not forget."

(Continued on Next Page)

CARTER B. HORSLEY, a New York Times journalist and a specialist in real estate, wrote this special report.



Michael Graves' design for a mixed-use tower for Sotheby's in Manhattan.

New Housing Starts Are Expected to Set Record for Decade

NEW YORK — The turmoil of the commercial sector is not matched in residential real estate. The National Association of Realtors reported last month that with long-term mortgage rates expected to drop to less than 9 percent by the end of the year, existing home sales and housing starts totals for the year were expected to be the highest of the decade.

It predicted a 2-percent increase for 1987 in existing single-family home sales to 3.6 million, while housing starts were expected to total 1.9 million this year, a rise of more than 11 percent from last year and the highest since 1978.

On the other end of the index's spectrum, Chicago was the most favorable "momentum" with a rating of 278, followed by Philadelphia, 244; New York, 194; Kansas City, 162; Charlotte, North Carolina, 149; St. Louis, 144; Minneapolis, 140; Boston and New Orleans, 71; Nashville, 70; Houston and Phoenix, 70; Tampa, Florida, 60; and Atlanta, 56.

The market for condominiums was "the hottest in history in the nation," according to a U.S. Housing Markets report published last month by the Lomas & (Continued on Next Page)

How Cities Score On 'Momentum Index'

NEW YORK — Landauer Associates, a real estate consulting firm based in New York, recently created a "momentum index" as a composite indicator to relate growth projections for office employment to the pace of office inventory additions.

The index is plotted on a ratio scale centered on 100, which corresponds to the median demand-supply relationship for large U.S. cities. Metropolitan areas indexed below 100 are considered subject to further weakness before a market correction occurs. The index placed Washington at 100, Dallas had the least favorable index at 42, followed by

San Francisco, 44; Oklahoma City, 60; Seattle, 60; Boston and New Orleans, 71; Nashville, 70; Houston and Phoenix, 70; Tampa, Florida, 60; and Atlanta, 56.

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Office Market Booms in New York, Outer Boroughs

NEW YORK — In most years, the defeat of a major project Westway, the proposal to rebuild Manhattan's highway along the Hudson River and create new land for office and housing, and give space for the first time in decades, or the city's prime waterfront, would be sufficient cause for pessimism about a city's sanity, or future.

So strong, however, is the New York City office market that the death of Westway last year was scarcely protested. This was partly because so many new projects were being initiated or completed that even sophisticated planners had trouble keeping track of them.

In Manhattan, new office construction and rehabilitation projects jostled with large, new and expensive bistros and boutiques in virtually every neighborhood south of 96th Street, where three large high-rise projects are nearing completion on the East Side.

New construction in the city's outer boroughs has suddenly become a reality, a response not only to the saturation and high costs of Manhattan but also to the growing threat of major development of the New Jersey Hudson River frontage with its incomparable views of the city.

Because the east midtown area has few developable sites left, the west midtown area is rapidly developing at the north

end. It is being led by the Metropolitan Tower on West 57th Street, the Equitable Center on Seventh Avenue at 54th Street, both nearing completion, and the redevelopment of the former Madison Square Garden site on Eighth Avenue at 50th Street, the Coliseum at Columbus Circle, and the railroad yards farther north along the Hudson River.

The Equitable Life Insurance Company's decision to vacate its tower on the Avenue of the Americas and redevelop a new one on the remainder of the block extending to Seventh Avenue has resulted in a lobby promenade a block long, largely due to the installation of two large galleries for the Whitney Museum of American Art.

The Skidmore, Owings & Merrill office tower design for William Zeckendorf Jr.'s plan to develop the entire block of the former Madison Square Garden site on Eighth Avenue at 50th Street is largely derived from Cass Gilbert's massive, pyramid-roofed New York Life Insurance Building of 1928 on Madison Square.

Mr. Zeckendorf has emerged as one of the city's most aggressive and innovative developers, striking joint-venture deals with the Japanese for several critical sites that have long lay fallow, including the S. Klein site on Union Square that is now going into construction.

Nine blocks north on Eighth Avenue, Moshe Safdie has come up with a prime, two-towered design for Myrman Circle. The redevelopment of the Coliseum site at Columbus Circle.

Helmut Jahn's plan for Donald Trump's redevelopment of the railroad yards further west and north in Manhattan Circle at the Hudson River promises to be the architect's best work in New York. The proposal is for eight major towers, including one in the middle that would be the world's tallest building.

With the recent completion of a pier at the South Street Seaport, the city's decision to redevelop the immediate area of the Staten Island Ferry Terminal and the coming to fruition of Battery Park City, Lower Manhattan has been born again and is in good health.

The first commercial component and the second phase of residential construction at Battery Park City are now opening. The generally pleasing mix of curtain wall treatments on the facades and the geometric roof forms of Olympia & York's several large office buildings, all designed by Cesar Pelli, are to be united soon by a great glass "winter garden" that is nearing completion. Whereas the major Dallas developments

blended colors that greatly diminished the energy and originality of its State of Illinois Center in Chicago. It also displayed a great disregard for context in major towers for Bruce Gilman and George Klein in Manhattan.

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A SPECIAL REPORT ON REAL ESTATE

Office Market Is Booming in New York

(Continued From Previous Page)

opens would have used run African woods and rich marbles, the interior of the first office lobby has metal balustrades and patterned wallpaper.

A major public amphitheater had been planned for Battery Park City based on Lewisohn Stadium, the summer cultural center that was torn down several years ago. The planned amphitheater, however, has been recently eliminated.

according to Alexander Cooper of Cooper Lechowicz & Associates, the architectural firm that drew up the design guidelines for Battery Park City, because some residents at the project objected that it would attract too many people.

In contrast to the generally staid designs on the New York side, some of the plans for the New Jersey side of the Hudson River are grandiose. Samuel LeFrak and Mel Simon, for example, have proposed

a 80-story tower as the centerpiece for their \$10-billion, mixed-use development of the Jersey City waterfront, complete with a version of New York's lower-ringed Central Park.

And on a large waterfront site in Weehawken, New Jersey, Arthur Imperatore has given the first American commission to Ricardo Bofill, the Spanish architect known for his classical, palatial housing projects near Paris.

In addition to Battery Park City, two other major construction projects in Manhattan were recently completed after years of controversy. John Forman's atrium hotel project on Times Square — the convention hotel New York Marriott Marquis — and L.M. Pei & Partners' Jacob K. Javits Convention Center on the Hudson River in midtown.

The Convention Center opened last month to general accolades although it had been cut back in size, behind schedule and had gone over budget.

Although some firms like Solomon Brothers, which will be the major tenant in Mr. Zuckerman's Columbus project, plan to relocate from downtown to midtown, downtown is becoming an increasingly vibrant and attractive community. It is considerably more compact than midtown, according to Simon Mittle of Jones Lang Wootton, a leading real estate company. He said that a fair amount of bank office space in Manhattan may move to close-in parts of the outer boroughs. He added that the New York suburbs have substantially higher vacancies than the city, "but are not hurting."

Manhattan's Vacancy Rate Edges Up

NEW YORK — At the end of the first quarter of this year, Cushman & Wakefield Inc., a leading real estate company, reported that the vacancy rate for prime midtown buildings in Manhattan was 5.7 percent, compared to 5.4 percent in March 1985. The figure for secondary space was 7.4 percent this year, compared to 6.9 percent last year.

However, in buildings under construction, it said, 18.3 percent were vacant in March, against 44.1 percent a year ago. Asking rents were down a bit in both existing primary and secondary buildings, but for buildings under construction the rents quoted this March were \$46.49 a square foot (.09 square meter) a year, compared with \$53.13 a square foot the year before.

The report noted that, "while demand for midtown space, fueled by lower rents and better terms, is increasing, several companies also announced plans to relocate all or parts of their operations outside Manhattan" to the suburbs and outer boroughs.

In Lower Manhattan, the study found that vacancies climbed from 12.3 percent to 14.6 percent for primary properties and from 8.9 percent to 13 percent for secondary properties, while in buildings under construction the rate increased from 41.9 percent to 45.7 percent. Asking rents remained essentially stable at about \$35 a square foot for primary buildings and a little over \$22 a square foot for secondary buildings, but buildings under construction declined from \$41.21 to \$38.09 a square foot.

New Housing Starts Heading for Decade Record

(Continued From Previous Page)

Nettelson Company, a mortgage banking concern based in Dallas.

The market, however, collapsed in the South and the mountain regions. The national statistics fell 23 percent in 1984 from a record 393,000 units in 1983. Over the last two years, the study said, more condominiums in the South reverted to rental than went into the market.

It reported that about 80 percent of Suburb condominiums were stacked units, built like garden or midrise apartments. This type of condominium has the softest market and the poorest resale acceptance everywhere. It is also the most vulnerable to rental competition. In the Northeast, however, more than half the condominiums are townhouses, the best accepted condominium product.

"Where Suburb rents are depressed by the most overbuilt market in 20 years," it said, "the Northeast rental market is the tightest in 20 years. The Northeast market is a third that of the Suburb."

It quoted a housing authority in

Texas as saying that the condominium is "an inappropriate product in areas where there is a fair amount of land."

Weston E. Edwards, senior executive vice president of Lomas & Netelton, said that the single-family markets, Washington, which had a record year last year, and northern New Jersey, Philadelphia, which both had their best year last year in about three de-

cades, are expected to improve.

"The hot areas for new development," he said, "are near a suburban downtown or a fast-growing new office corridor" such as Centreville, Virginia, a half-hour away from suburban downtown Tyson's Crossing near Washington. Other strong housing markets are Detroit, Dallas and Las Vegas.

The fall in interest rates, surprisingly, did not make housing mar-

ket more affordable as more customers chose more home rather than lower payments, according to another Lomas & Netelton study.

It found that the market "tilted from heavily start-oriented to more mature," reflecting tighter mortgage regulations.

Housing was more affordable than it has been in six years and the most affordable housing market was in St. Louis, where the ratio of conventional mortgage payments to income was 20.7 percent, followed by Indianapolis, Cleveland, Philadelphia, Kansas City, Miami, Fort Lauderdale, Pittsburgh and Tampa-St. Petersburg. The least affordable was San Diego, whose ratio was 63.7 percent, followed by New York, San Francisco, Los Angeles, Boston, Washington, Denver and Phoenix.

The latest U.S. Housing Markets study, released by Lomas & Netelton in March, found that, for the first time in 35 years, rental house prices increased more than owner households and that there are more renters now than at any time in the past 20 years.

The new renters, he continued, are choosing existing homes, or condominiums over apartments by a margin of more than three to one.

In Manhattan, Prices for Luxury Apartments Drop

NEW YORK — Prices for luxury cooperative and condominium apartments in Manhattan, which have generally climbed more than 1,000 percent since the mid-1970s, have declined several percentage points or more in the last year.

They may well fall further given the large inventory of new residential construction of good quality coming on stream.

Charles H. Haisman of the Haisman Property Company, a leading resi-

dential sales and brokerage concern, said that while cooperative and condominium prices declined 10 to 15 percent in the last quarter of 1985, they had begun to stabilize because "there was a lot of pent-up demand and tax reform was receding as a specter over the market."

Pre-World War II buildings had an average price per room of more than \$120,000 in the last quarter of 1985, compared with an average of almost \$90,000 in new buildings. The average price in February of both cooperatives and condominiums in the Haisman survey ranged from \$153,428 for studios to \$611,971 for large two-bedrooms and \$2,353,261 for townhouses.

Canada: Slump in West

(Continued From Previous Page)

the total of about 90 million in the metropolitan region.

The projects have met with some difficulty. The plan for the domed stadium, for example, has scant provision for parking because the city planners want to continue to encourage the use of mass transit.

David S. Weinberg, vice president of development for Canada of the Cadillac Fairview Corp., suggests that in an interview that the various major parcels should not be considered piecemeal, but as a whole. He said the opportunity was ripe for a master plan that might create a major park stretching from the waterfront around the CN Tower to the financial district.

Other developers have expressed concern that the financial district, the CBC and the elevated railway barrier effect of the elevated

Gardiner Expressway, which separates the waterfront from the rail yards.

New, interesting residential projects abound and several major developments have been recently completed or are nearing completion along the downtown waterfront, known as Harbourfront. In the financial district, Cadillac Fairview recently completed the fourth and last block of a new tower of the Toronto Dominion Plaza, designed by Mies van der Rohe.

And two of the last major building sites in the core area are now being developed. When completed in 1988, Campbell Corp.'s 69-story, red-granite Scotia Plaza, designed by Webb Zerafs Menkes Housden Partnership of Toronto, will add its slender form to the skyline, while creating an 11-story atrium.

Ed Marcinko, the president of the Institute for Urban Life, has called on the city to demolish some troubled high-rise housing, a proposal that would be a precedent for the Fratt-Lago housing project in St. Louis in 1972, which was a landmark in the city's reputation for several years.

But Chicago is definitely broke. Roosevelt Young, a community leader, has countered Mr. Marcinko's proposal with a suggestion that the housing project not be demolished but "handed over" to provide more attractive apartments and some manufacturing spaces for use by residents.

And the city has lost its ability to think big. A 60-acre (24-hectare) waterfront site in the heart of downtown is being developed, mainly by the Chicago Dock & Canal Co. and, commercially, by Tishman Property Properties.

The project will have about as much office space as the 1983 Chicago exposition that launched the "city beautiful" movement in the United States. His critics were not the only sour notes sounded recently.

In a speech to the Civic Federation of Chicago, Thomas Klutznick, a major developer, declared the fact that "Chicago has no strategic plan."

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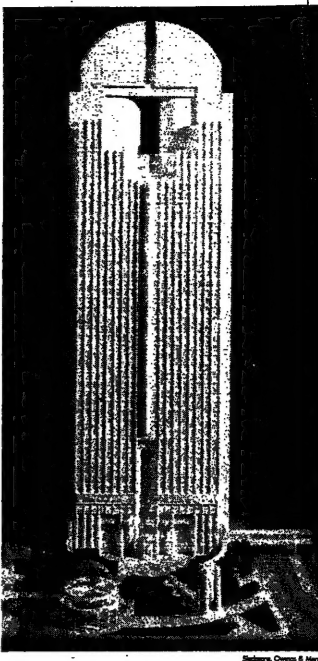
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A new Houston tower by Skidmore, Owings & Merrill.

In Hard-Hit Dallas, Some New Building Is Still Going On

DALLAS — The Texas economy, battered by banking crises, falling oil prices and overbuilding, is reeling.

Net effective rents, according to Ed Pedersen, co-managing partner of the Trammell Crow Co. in Dallas, are off about 50 percent from the peak a few years ago in Houston and 35 to 50 percent to 40 percent in Dallas.

Nevertheless, there is at least one new office building being launched in Dallas, and Mack Fugate of the Lincro Property Co. in Dallas said that there are still "specific pockets for new buildings to be built."

It is likely, however, that Mr. Fugate's company will proceed immediately with its plan to erect three large office towers next to the Dallas Museum of Art, not that the Crisswell development Co. will quickly add plans with lower to its new Allied Plaza tower.

Everything is still up-to-date in Dallas. Its downtown and display of weathered holiday messages, and most of its towers are bejeweled with lights at night.

The facade, left and right of the Inter-Two World will soon be replaced by Skidmore, Owings & Merrill, but the great play of lights that outlined its skeletal structure were recently turned off.

Nevertheless, Dallas is rapidly overhauling its downtown, the most contemporary urban downtown in the United States. The Kohl Pedersen Fox tower in Dallas, one of three towers and L.M. Pei's towers at Allied Plaza near Skidmore,

Owings & Merrill's two intriguing, monolithic projects for Trammell Crow — the recently completed LTV Tower and the Texas Corp. Tower now in construction. All are in the vicinity of Edward Larabee Barnes's handsome Dallas Museum. Nearby, a symphony hall is under construction.

In the meantime, the firm of John Burge with Philip Johnson, after opening Crescent center last month on the outskirts of downtown, is proceeding with construction of its 60-story Momentum tower downtown near the Dallas Fairview Corp. Momentum Place will open in the fall of 1987 and is already 55 percent preleased.

It will feature a cross-vaulted ground and rises arches to soften its soaring size.

In Dallas and Houston, the downtowns are faring much better than the suburbs, but overall vacancy percentages are in the high twenties or more. Richard Price, managing partner of the Houston office of Kenneth Leventhal & Co., an accounting and consulting concern, recently remarked that Houston may have bottomed out, and he said that the worst is over. Cushman & Wakefield Inc. has estimated that at the end of 1985, Houston had 37.6 million square feet (1.49 million square meters) of office space available.

Dallas recently concluded that its new public transportation system is too expensive and it is expected to issue a new plan in several months. In the meantime, however, it has begun to get some nightlife with the opening of Dallas's, an elegant restaurant, at Lincoln Plaza.

A report by Richard Ellis Inc. said that development in Austin "has occurred so rapidly that there will be an oversupply of space for three to five years, depending on whether the high absorption level recently experienced can be maintained. House foreclosures in Houston are up and rents in some mid-range apartments are half of what they were at a peak in 1982."

And Cushman & Wakefield reported that, while demand was strong for office space in San Antonio, an increase in supply kept vacancy at about 22 percent downtown and 27 percent in the suburbs.

Chicago: Bigger Remains Better

CHICAGO — In a recent interview, Thomas Klutznick, one of the city's most outspoken and prominent architects, called the city's decision last year not to proceed with a major world's fair in 1992 a "loss of face" and a major setback to the city's international status as a center of design and urban vitality.

The fair was to have commemorated the 500th anniversary of Columbus's discovery of America and the 1893 Chicago exposition that launched the "city beautiful" movement in the United States.

His critics were not the only sour notes sounded recently. In a speech to the Civic Federation of Chicago, Thomas Klutznick, a major developer, declared the fact that "Chicago has no strategic plan."

He said the city would likely "bleed out over 20 years" plans to develop the Navy Pier into a cultural center, urban bank and added that there was an urgent need to "deal directly with the competitive pressures of Chicago's suburbs."

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Development Toughening With Times

(Continued From Previous Page)

that he did not know of any other cases in trouble.

Least all developers, however, according to David Thomson of the Oxford Development Co., which is based in Toronto and had been one of the major Canadian companies in the redevelopment of North America over the last decade, just now align themselves with sufficient long-term money.

"It's a revolution," he recently remarked, "that may lead to a bland landscape."

To survive, many of the traditional, entrepreneurial and speculative developers have become "merchandise builders," creating managing housing products for use with life equity and reduced exposure risk.

Generally, the real estate industry has become much more sophisticated in recent years, with more concern becoming national organizations with large organizations and more substantial investors.

Miss Lachman noted that the percentage of commercial projects handled by national developers as opposed to local developers "is definitely on the increase and will continue to grow," although it has remained fairly steady in housing at about 16 percent.

Jerry L. Speyer of Latham Speyer & Partners, a letting developer based in New York but has aligned itself with the Equitable Life Insurance Co. in several major projects. He said his concern would "pull in its heels a little bit this year."

Virtually all markets favor the tenant with significant lease concessions in the form of obsolescence-free rent, tenant installation and liberal escalation clauses. Asking prices for rents in most areas have the last few years, before taking inflation into account, income depressed markets such as Houston, rents are a few years ago.

The Northeast continues to resist itself. Philadelphia, for example, is one of the most active new development markets with several significant downtown projects.

And Washington is witnessing a phenomenal redevelopment that stretches from the waterfront in Georgetown to the West End, where three new luxury hotels, the Grand, the Westin and the Park Hyatt, have established a major new center, and to Franklin Square, where Trammell Crow, Gerald D. Hines and the Cadillac Fairview Corp. have teamed up for the same intersection, for single or projects.

Washington, D.C., is also a major market. The Washington Post reported that the city is planning a major redevelopment of the area around the National Mall, including the construction of a new museum and the renovation of existing buildings.

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Wednesday's **NYSE** Closing

Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere.

| High | Low | Open | Close | High | Low | Open | Close |
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NYSE Highs-Lows

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Currency Options

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To Our Readers

Certain statistical data is missing from this edition because of technical problems. We regret the inconvenience to readers.

German Cost of Living Edged Down in April

WIEN, Austria — The cost of living edged down 0.1 percent in April from the previous month and was off 0.2 percent from a year earlier, the first 12-month drop in 26 years, the Federal Statistics Office said Wednesday. It said the decline over the year was the first since it began computing the cost of living based on information from all households in 1962.



Passenger on Air France's Concord and many international airlines receive the International Herald Tribune as every day.

Important news for international marketers.
The new Frequent Business Traveler Study is available free from the International Herald Tribune.

The frequent business traveler represents an extremely important market, not only for marketers of travel-related products and services, but for any advertiser wanting to reach the truly senior international executive. Recognizing the need for reliable data about this elite management group, the International Herald Tribune commissioned Research Services Ltd., London, to undertake the Frequent Business Traveler Study. This research, carried out in late 1985, uses a sample frame taken from the guest lists of Hilton International, Inter-Continental, Marriott and Sheraton hotels located in London, Paris, Frankfurt, Geneva, Brussels, Abu Dhabi, Dubai, Jeddah, Hong Kong, Singapore and Jakarta. The survey attracted a total of 2,531 respondents, of whom an overwhelming majority—2,368—claimed to have traveled abroad on business during the past twelve months.

Topics covered by the research include: readership habits; frequency and purpose of air travel; destinations visited; hotel usage; duty-free purchasing; car rental frequency; credit card usage; job status; company purchasing responsibilities; income levels. Copies of the research report are available at no charge from the Marketing Department of the International Herald Tribune at any of our main offices listed below.

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BUSINESS ROUNDUP

Trafalgar House Agrees To Takeover of Brown

LONDON — Trafalgar House PLC, the big British shipping, property and construction concern, said Wednesday that it had agreed to acquire the remaining 70.1 percent of John Brown PLC that it has not already owned in a share exchange valued at about £30 million (about \$122 million).

John Brown, a 150-year-old company that built an international reputation for shipbuilding, said it had agreed to the takeover and would recommend the bid to its shareholders.

Separately, Trafalgar reported that its pre-tax profit in the first half ended March 31 rose 27 percent from £7.7 million (or \$31.4 million). The company said operating profit in the period rose 19 percent from £5.4 million (or \$21.8 million) to £6.4 million (or \$25.5 million) in the first half.

John Brown, whose roster of trans-Atlantic liners includes the Queen Mary and both Queen Elizabeth 2 and Queen Elizabeth 3, has not built a ship since the late 1960s. In recent years it has concentrated on its engineering, construction and plastic machinery businesses.

Trafalgar House said it would make its offer on the basis of one new ordinary share for every 10 in Brown. It would also offer one ordinary share for every 10 ordinary shares in Brown.

The offer values each Brown share at about 30 pence. Trafalgar said that full acceptance of the offer would involve the issue of about 19 million new shares, or about 5.2 percent of its enlarged ordinary share capital.

Trafalgar's chief executive, Eric Parker, told reporters that the combination would give Brown some badly needed financial depth. He said he expected Brown to return to profitability in the year ending next March after an expected loss in the preceding year.

Brown's chief executive, Allan Cornwell, said the company's order book was roughly in line with last year's and that reports of its exposure to a decline in offshore oil drilling had been exaggerated.

The company had not had any North Sea progress claimed, though some prospective projects had been delayed, he said.

Referring to Trafalgar's interim earnings, Mr. Parker said he expected that the company's Cunard shipping line unit would show sharply improved results in the second half because of falling oil prices.

But this benefit could be partly offset by a decline in passengers because of growing American reluctance to travel in the aftermath of the Libyan crisis and the Soviet nuclear accident, he said.

Busch May Buy Hong Kong Unit Of San Miguel

HONG KONG — San Miguel Corp. is negotiating to sell a controlling stake in its Hong Kong unit, San Miguel Brewery Ltd., to Anheuser-Busch Co. of the United States, San Miguel Brewery said Wednesday.

It said the sale is being negotiated by its majority shareholder, Neptunia Corp. of Hong Kong.

Neptunia, whose parent company is San Miguel Corp. of the Philippines, holds 70 percent of San Miguel Brewery's 84.9 million shares.

Eighteen percent of San Miguel Brewery's shares are traded publicly and the rest are held by nominee companies and individuals. San Miguel Brewery has appointed East Asia Warburg Ltd. as financial adviser.

Brokers estimated that St. Louis-based Busch, a major U.S. brewer, may offer about 16 Hong Kong dollars (\$2.05) for each of San Miguel's shares. Trading in San Miguel's shares on the Hong Kong Stock Exchange was halted on April 15 and they last traded at 10.70 dollars. The company said trading will remain suspended until further notice.

Mr. Dole said Tuesday that the would urge Norfolk Southern to raise its current \$1.2-billion offer after Representative John Dingell, a Michigan Democrat who is chairman of the House committee overseeing Conrail, announced his opposition to a Conrail-Norfolk Southern merger.

Mr. Dingell's opposition appears to doom the administration proposal because, as chairman of the House Energy and Commerce Committee, he can block consideration of any Conrail sale proposal in the Democratic-controlled House.

Mr. Dole indicated that the purchase price for Conrail could be partly financed out of the \$350 million in excess money now in the pension fund for Conrail workers.

Mr. Dole also proposed that any anti-competitive concerns raised by the sale to Norfolk Southern, a major eastern railroad and Conrail competitor, be submitted

Norfolk Southern Asked To Increase Conrail Bid

United Press International

WASHINGTON — U.S. Transportation Secretary Elizabeth Dole, facing a dead end for her Conrail sale proposal in Congress, has asked Norfolk Southern Corp. to increase its bid for the government-owned rail carrier to \$1.9 billion.

Mr. Dole said Tuesday that she would urge Norfolk Southern to raise its current \$1.2-billion offer after Representative John Dingell, a Michigan Democrat who is chairman of the House committee overseeing Conrail, announced his opposition to a Conrail-Norfolk Southern merger.

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Mr. Dole also proposed that any anti-competitive concerns raised by the sale to Norfolk Southern, a major eastern railroad and Conrail competitor, be submitted

to the Interstate Commerce Commission for resolution.

She suggested congressional approval of the merger be contingent on an ICC finding that the anti-competitive concerns could be remedied by divestiture of track to rival railroads that could provide continued competition in the Northeast and Midwest.

Mr. Dole's latest proposals followed a blunt letter from Mr. Dingell saying that he had made up his mind to oppose the merger.

"There is no justification for the government to undertake the largest parallel railroad merger in the history of the United States and create the massive anti-competitive impact and employment losses that would ensue," he told Mrs. Dole.

Net More Than Doubled Last Year, Alitalia Says

The Associated Press

ROME — Alitalia, Italy's national airline, said its net profit rose more than doubled in 1985 to 48 billion lire (\$3.1 million) from 21 billion in 1984.

It said Tuesday that the results were the best since the airline was founded 40 years ago.

BMW Names 2 to Managing Board

Compiled by Our Staff From Dispatches

MUNICH — Bayerische Motoren Werke AG said it made two sales appointments to its managing board, following the departure of its former sales director and deputy board member, Eberhard von Kober, March 31.

The BMW chairman, Eberhard von Kuehnheim, has been temporarily in charge of sales and marketing since Mr. von Kober left the company.

BMW said Ginter Kramer, chairman of BMW of North America Inc., had become a full board member and will be responsible for foreign sales and marketing. Robert Buehler, who was named a deputy board member in charge of domestic sales and marketing.

BMW said Mr. Kramer would retain his position at BMW of North America along with his new responsibilities. Mr. Buehler was head of the office within the parent company that was in charge of relations with subsidiaries and associate companies.

The appointments meant an expansion of the BMW managing board by one member.

Industry sources had said earlier that Mr. von Kober's departure from the company was linked to disappointment over BMW sales figures.

The Asian Development Bank re-elected its president, Masao Fujio, of Japan, to a second five-year term starting in November.

The Japanese finance minister, Norihiro Takashita, was elected chairman, replacing the Sri Lankan finance minister, Rommie de Mel, in the one-year post.

Morgan Stanley Group Inc. said it appointed Lord Richardson of Dunblaine chairman of Morgan Stanley International Inc. The company said Lord Richardson, the former governor of the Bank of England, has served on Morgan

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COMPANY NOTES

Bank of America has opened a representative office in Guangzhou. It is already represented in Beijing and Shanghai. Stephen Hunt, a Bank of America senior vice-president, said the bank plans to promote trade between China and the United States.

Canadian Pacific Ltd.'s net profit fell 85 percent to \$4.4 million (or \$6.9 million) in the first quarter ended March 30, from \$7.5 million a year earlier. But it said it expects earnings to improve during the rest of the year.

Chevron Corp.'s chairman, George Keller, said he has no plans to remove the oil company's business from Angola. The Conservative Caucus Inc., which owns 30 Chevron shares, had charged that revenue from oil exploration and production benefits the communist-backed Angolan government and asked Chevron to cut operations there.

Compact Video Inc. of Burbank, California, intends to make an exchange offer for at least 80 percent of Four Star International Inc. at a ratio of 1.1 Compact common shares for each Four Star common share. It also said negotiations with Revlon Group Inc., formerly Penny Price Inc., on Compact's proposed acquisition of Adams Drug Co. from Revlon have been "temporarily delayed." It gave no reason.

Enso-Rap, a French drilling subsidiary of Exxon Corp., will reduce its 460 staff by 100 in coming months. The company, which has 20 wells in France,

expects to show a deficit this year because of lower margins from reduced crude oil rates.

Inness Ltd. has acquired 90.7 percent of Genstar Corp. under an offer to purchase all Genstar common shares. Montreal-based Inness, a drugstore, tobacco and restaurant company, paid for almost \$3.5 million Genstar shares tendered. Under its bid of \$41.76 a share, the total cost to date was about \$1.4 billion.

RJR Nabisco Inc. will establish a new unit July 1 to be called RJR Nabisco China, based in Hong Kong. The unit will oversee expansion of tobacco, food and food-service restaurant operations in China. RJR Nabisco International has approved to introduce cigarettes for sale in China later this year.

Oliveri SpA of Italy has submitted its planned takeover of the West German office-equipment company, Triumph-Adler AG, to the West German central office for approval. Oliveri plans to take over Veldwagen AG's 98.4-percent holding in ADL under an agreement whereby VW will have an initial 5-percent stake in the Italian business-machine company.

Uphof Co. has filed suit in federal court alleging a chemical compound marketed by Rhodium Corp. as a possible cure for baldness infringes upon its patent for a drug to treat high blood pressure. Uphof, based in Kalamazoo, Michigan, has asked a federal judge to issue an injunction against the New York company to prevent the sale of the compound.

INTERNATIONAL POSITIONS

MARKETING COMMUNICATIONS IN TELECOMS BRUSSELS

ITT, the world's largest telecommunications company, is looking for a marketing communications professional to head up the communications side of a dynamic, new internal marketing program. The individual will be responsible, as Managing Editor, for two top-class ITT publications. Responsibilities also include the generation of internal marketing materials for salesforce incentive and motivation programs.

The successful applicant will have experience in all aspects of communications (P.R., advertising, sales promotion), be aged 25-40 and have a broad interest in and understanding of business in a Pan-European context. Essential is the ability to rapidly form good working relationships with senior managers in ITT's companies across the face of Europe.

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Applications for this post should reach the Head of Personnel Management, ESA, 8-10 rue Mario Nikis, 75738 Paris, Cedex 15, France. International working conditions, including expatriation and family allowances, good social security and pension schemes. Relocation expenses paid. ESA Regulations exclude the recruitment of personnel aged over 55.



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INTERNATIONAL POSITIONS

European Representation Required

A consumer products division of a Fortune 500 company is seeking a reliable and established sales organization for product sales to the EEC. The organization should preferably be located in London and should have the major element of current sales in Great Britain.

Our division is located in London and may be reached by telephone at 706-682-0661 or by telex at 564421 or by telegraph at HRT P.O. Box 1012, Caracas, CA 92118, USA.

References required for meeting in London starting June 26th, please reply prior to May 26th.

Norman E. Dasher, Vice President

ICC

International Chamber of Commerce seeks for its Paris Headquarters

an Administrator

(man or woman), minimum age 30. Bilingual English-French, with degree(s) in economics and/or law.

Preference will be given to a candidate with experience in organization of international meetings and the preparation of reports.

Banking experience appreciated.

Please send complete resume with photograph and indication of salary required to: ICC Personnel Director 38, cours Albert 1^{er} - 75008 PARIS.

We are looking for a highly experienced Operation Manager to take responsibility for defining and driving the programmes needed to increase the delivery of efficient and effective computer and network operations to all our offices across Europe for our employees.

Your duties will not only include providing leadership and direction to a group of subsidiary Information Services Managers and to the Headquarter operations, but also to contribute to the development and implementation of Information Services strategies.

Success factors in this position will be not only the technical qualities, but also having the personality to forge a strong, effective working relationship with the subsidiaries and within the Headquarter operations.

Please send your resumé, in English, to Mrs. Hennie Pöls.

The Daily Source for International Investors.

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INTERNATIONAL POSITIONS

International Livestock Centre for Africa

FINANCE OFFICER

Vacancy INT/005/86

The International Livestock Centre for Africa (ILCA) with headquarters at Addis Ababa, Ethiopia, is one of 13 international agricultural research organizations which are supported by the Consultative Group on International Agricultural Research (CGIAR), an association of governments and donor agencies, co-sponsored by the World Bank, FAO, and UNDP.

ILCA is offering a challenging opportunity to a Finance Officer with a proven record and experience of international or multi-national operations, including responsibility for budget planning, control, cash-flow management, consolidation and reporting procedures. Experience in EDP will be an advantage.

The position is based at the Centre's headquarters travel to supervise the Centre's programmes in other parts of Africa will be required. The position will be particularly attractive to candidates showing initiative, leadership and a strong team spirit.

Recognized accounting qualifications, with experience in computerized accounting, are an essential prerequisite and an MBA or other post graduate degree would be advantageous. A good knowledge of English is mandatory and a knowledge of French advantageous.

The appointment will be on an initial two year contract, annually renewable thereafter. The salary (in US dollars) is at international rates, tax free, together with fringe benefits.

Applications, which will be treated with absolute confidence, should be sent to the Personnel Officer, ILCA

P.O. Box 5689, Addis Ababa, Ethiopia, not later than May 31, 1986.

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DIGITAL EQUIPMENT CORPORATION INTERNATIONAL - EUROPE

12, av. des Marguerites, C.P. 510, 1213 Leval-Lancy 1 Geneva-Switzerland, Tel. (022) 87 41 11

SPAIN: Madrid Acts to Strengthen Auto Industry in Face of EC Competition

(Continued from first finance page) sales of one million units a year. But the closest sales ever came to that figure was 670,000 in 1977. Last year, domestic sales were under 450,000. The rest of the cars made in Spain—64 percent of the output—were exported.

Analysts and industry executives blame the unspectacular home sales on a high sales tax of 33 percent and the lower average income in Spain compared with the rest of Western Europe. Some executives believe that if demand is not stimulated, it could be difficult for all the big manufacturers to stay in Spain.

"The concern for us is that the cake is smaller and there are more people competing for a piece," said Patrick Byrne, managing director of Ford of Spain.

Mr. Byrne believes the Spanish government must take steps to encourage demand such as lowering the sales tax. "Having invited all of this investment to Spain, they've got to let it bloom," he said.

Ford and GM, both geared to

export, are not considered to be endangered by the prospect of a squeeze on the domestic market. But other companies that depend on domestic sales have asked for government help.

As part of a major restructuring program, the government agreed in December to provide loans and grants totaling \$ billion pesos (\$58 million) to the three French companies making cars in Spain, Renault, Peugeot-Talbot and Citroën.

The biggest restructuring move, however, came with the sale earlier this year of the government-owned SEAT to Volkswagen that left the entire Spanish car industry under foreign ownership.

Juan José Díaz Álvarez, the president of SEAT, said the sale brought the company out of a "dark tunnel." Since the late 1970s, SEAT has suffered annual losses as high as 36 billion pesos, and the investment needed to revitalize the company was considered far beyond the government's resources.

"SEAT didn't have the technology, commercial network or due to be competitive in the coming years," said Luis Croisier, the president of the National Institute of Industry, the government holding company that sold SEAT.

"We wanted this company to be competitive in the EC market, but it would have been impossible without more and more aid from the state," Mr. Croisier said.

It took several years to find a new owner for SEAT. Fiat, the Italian car maker, was the first to be approached. In 1982, Fiat was rejected. In 1983, Japanese car makers were approached. In the end it was Volkswagen, which began in 1982 had formed out the process

of Fiat, Santana and Polo models to SEAT factories, which are now run by the company, but only after the Spanish government agreed to provide a 185-billion-peso aid package to help cover SEAT's debts.

The government has also tried to unload ENASA, the financially troubled state truck producer, but so far without success.

Under VW's plans for SEAT, its work force of 21,500, which has already been cut by more than 10,000 since 1980, will be reduced gradually to 19,000. A new assembly plant will be built at Martorell outside Barcelona, and total production will be boosted from the present rate of 330,000 cars a year to 420,000 by 1992.

Despite its financial losses in recent years, SEAT's export performance has been improving. In cooperation with Volkswagen, SEAT built a network of dealerships abroad. Foreign sales have almost tripled as the company began marketing its first original models, the Ibiza and Malaga.

Mr. Díaz Álvarez, the export sales director, said the company hopes to develop a national image for its cars and thereby increase sales beyond southern Europe, where exports have been concentrated.

"When people think of Spain, they only think of sun, oranges and holidays," not the well-made cars associated with some other European countries, Mr. Díaz Álvarez said during an interview at the SEAT headquarters on the outskirts of Madrid.

"Ford exports 200,000 cars a year and GM almost the same, but their goal isn't to sell cars in Spain. It's to export them to other countries," he said. "If the customers are happy with these cars, it means Spaniards can produce good products reliably and efficiently."

Alfa, Nissan to Produce 4-Wheel-Drive Vehicle

MILAN—The Italian state-owned car maker, Alfa Romeo SpA, said Wednesday that it is planning jointly to design and produce a four-wheel-drive vehicle for military and civilian use with Japanese automaker Nissan Motor Co.

The car, to be presented by a four-cylinder Alfa Romeo engine, will be assembled at Pratola Serra in Southern Italy where Nissan and Alfa already jointly make a car.

STOCKS:

Oil-Service Shares

(Continued from first finance page) dividend cuts and even some bankruptcies.

He sees Schlumberger, the global giant that traditionally has been Wall Street's favorite in its industry, as the company "most likely" to maintain its dividend in this period. At this time he maintains the equivalent of a "hold" rating on Schlumberger and other leading oil-service stocks.

Last week Schlumberger reported that its first-quarter profit fell to 51 cents a share from \$1.01 a year earlier. The company said this drop was caused mainly by the general decline in the oilfield-service business and continuing losses at its Fairchild Industries unit, semiconductor subsidiary.

Recently the Securities Analysts reduced their 1986 profit estimate for Schlumberger to \$1.20 a share from \$1.40. They also expected a 10 percent drop in Schlumberger's earnings in the next three quarters.

As for Schlumberger, they said it was "most of its earnings will come from interest income on \$4.6 billion of cash and investments."

Mr. Barney, Harris Upham & Co., citing "contraction in industry activity," recently lowered its projection for the company's earnings this year to \$1.25 a share from \$1.50. And at Paine Webber Inc., James L. Carroll has downgraded Schlumberger's rating to "unattractive." He also reduced the 1986 earnings estimate to \$1.40 a share from \$1.75.

In the early 1970s Schlumberger was one of the investment community's "Nifty Fifty" favorites. By 1980 its price reached a high of \$78. In March the stock traded at \$29, its lowest level in seven years. The shares ended Tuesday at \$30.25.

Mr. Carroll also recently downgraded his rating on Hughes Tool from "neutral" to "unattractive." He added, "Although we view Hughes Tool as a survivor in the current oilfield depression, the sharp drop in cash flow during the next two years will place its dividend in jeopardy."

Most analysts expect Hughes Tool Co. with an annual dividend rate of 48 cents a share, to show a loss for this year. The stock finished Tuesday down 25 cents, at \$2.50, its high in 1980 was \$46.63.

CURRENCY MARKETS

Dollar Drifts Lower in Quiet Trading

(Continued from first finance page) LONDON—The dollar closed moderately lower in slow European trading Wednesday, but later fell below a key chart point against the Deutsche mark in after-market trading in London.

Dealers said the dollar continued to be undermined by the Reagan administration's persistent refusal to give a clear signal that it would play an active role to prevent the currency from falling further.

"Markets were looking for a clear consensus at the Tokyo summit on dollar stabilization," said Nicholas Sargis of Salomon Brothers and other leading oil-service stocks.

"But we really got nothing out of the U.S., which spells further pressure on the dollar."

In after-market trading that is largely led by U.S. dealers, however, the dollar swiftly fell through the key support level of 2.1920 DM to 2.1858. At mid-session in New York, the U.S. currency was being quoted at that level.

The dollar also fell in London to 165.10 yen from 166.35 there on Tuesday, but eased further toward its record low of 164.90 yen in early U.S. trading. Dealers said the yen will almost inevitably continue

London Dollar Rates

| | 1986 | 1985 |
|---------------|----------|----------|
| Deutsche mark | 2.1858 | 2.3600 |
| French franc | 166.35 | 166.35 |
| Italian lire | 1,936.00 | 1,936.00 |
| Swiss franc | 1.6510 | 1.6510 |
| Japanese yen | 165.10 | 166.35 |

Source: Reuters

strengthening in the absence of coordinated assistance to the Bank of Japan to stop its rise.

But Masakazu Miyamoto, chief currency dealer for Japan's Sanwa Bank, said he does not share many analysts' views of further dollar softness. He said the Bank of Japan and the West German Bundesbank would smooth out declines even without the active support of the U.S. Federal Reserve Board.

"The dollar/yen rate should stabilize in a 165-170 range in future days," he said. "The Bank of Japan will intervene again at 164" to put a floor under the dollar's decline.

In other European financial centers Wednesday, the dollar was fixed at mid-afternoon in Frankfurt at 2.2057 DM, down from 2.2208 at the Tuesday fixing, while it closed in Zurich at 1.8413 Swiss francs up fractionally from 1.8395 there on Tuesday. Paris markets were closed for a banking holiday.

The British pound, meanwhile, closed in London at \$1.5395, virtually unchanged from \$1.5340 there on Tuesday. It also edged higher against the mark, rising to 3.3828 from 3.3818. (Reuters, IHT)

U.K. Says Price of Oil Above Production Cost

LONDON—The price of oil is well above the average cost of production in the United Kingdom and on the U.K. Continental shelf, according to the British energy minister, Peter Walker. He gave no figures.

In a written parliamentary reply, Mr. Walker said Tuesday that Britain's stable political and fiscal regime continues to attract oil industry exploration and development.

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Company Results

Revenues and profits or losses, in millions, are in local currencies unless otherwise indicated.

| Britain | | United States | |
|-----------------------|-------|-------------------------|-------|
| Company | 1985 | Company | 1985 |
| British Petroleum | 1985 | Amer. General | 1985 |
| 1st Qtr | 1,985 | 1st Qtr | 1,985 |
| Net Profit | 1,985 | Net Profit | 1,985 |
| Per Share | 1,985 | Per Share | 1,985 |
| Canada | | France | |
| Company | 1985 | Company | 1985 |
| Canadian Pacific | 1985 | Air France | 1985 |
| 1st Qtr | 1,985 | 1st Qtr | 1,985 |
| Net Profit | 1,985 | Net Profit | 1,985 |
| Per Share | 1,985 | Per Share | 1,985 |
| Germany | | Italy | |
| Company | 1985 | Company | 1985 |
| Deutsche Bank | 1985 | Eni | 1985 |
| 1st Qtr | 1,985 | 1st Qtr | 1,985 |
| Net Profit | 1,985 | Net Profit | 1,985 |
| Per Share | 1,985 | Per Share | 1,985 |
| Japan | | Netherlands | |
| Company | 1985 | Company | 1985 |
| Fuji Heavy Ind. | 1985 | Philips Gloeilampenfab. | 1985 |
| 1st Qtr | 1,985 | 1st Qtr | 1,985 |
| Net Profit | 1,985 | Net Profit | 1,985 |
| Per Share | 1,985 | Per Share | 1,985 |
| Sweden | | Switzerland | |
| Company | 1985 | Company | 1985 |
| Volvo | 1985 | Swiss Bank Corp. | 1985 |
| 1st Qtr | 1,985 | 1st Qtr | 1,985 |
| Net Profit | 1,985 | Net Profit | 1,985 |
| Per Share | 1,985 | Per Share | 1,985 |
| Australia | | Belgium | |
| Company | 1985 | Company | 1985 |
| Westpac Banking Corp. | 1985 | Belmont Group Hds | 1985 |
| 1st Qtr | 1,985 | 1st Qtr | 1,985 |
| Net Profit | 1,985 | Net Profit | 1,985 |
| Per Share | 1,985 | Per Share | 1,985 |

The Global Newspaper.



Wednesday's OTC Prices

NASDAQ prices as of 3 p.m. New York Time. Via The Associated Press.

1st Qtr Net Profit Per Share

1st Qtr Net Profit Per Share

1st Qtr Net Profit Per Share

1st Qtr Net Profit Per Share

1st Qtr Net Profit Per Share

1st Qtr Net Profit Per Share

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